

# GLOBAL MARKETS NEWSLETTER

Monday December 16<sup>th</sup>, 2024

## Local Markets:

The Kenyan shilling was unchanged in early trade against the dollar on Friday, London Stock Exchange Groups data showed.

Today's expected USD/KES trading range is 128.40/129.90

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	128.40	129.90			
<b>GBP/KES</b>	162.25	164.60	<b>GBP/USD</b>	1.2667	1.2691
<b>EUR/KES</b>	135.10	137.20	<b>EUR/USD</b>	1.0552	1.0492
<b>INR/KES</b>		1.5373	<b>USD/INR</b>	84.49	84.50
			<b>AUD/USD</b>	0.6396	0.6384
			<b>Commodities</b>		
			<b>Gold</b>	2653.70	2688.80
			<b>Brent Crude</b>	74.18	73.40

## Benchmark Rates:

Tenor	Current	Previous	Next meeting
<b>91 Days</b>	10.4564%	11.2500%	-
<b>182 Days</b>	10.5485%	11.3377%	-
<b>364 Days</b>	11.9673%	12.4903%	-
<b>KES INFLATION</b>	2.720%	3.600%	December 2024
<b>KES CBR</b>	11.25%	12.00%	
<b>FED RATE</b>	4.50%	4.75%	18/12/2024
<b>ECB RATE</b>	3.00%	3.25%	
<b>BOE RATE</b>	4.75%	5.00%	19/12/2024
<b>RBI RATE</b>	6.50%	6.50%	

## Top News

**Oil:** Oil futures eased from their highest levels in weeks as investors awaited a meeting of the Federal Reserve later this week for indication of further rate cuts. Falls were limited however by concerns of supply disruptions in the event of more U.S. sanctions on major suppliers Russia and Iran.

**Asia-Pacific markets:** Asia-Pacific markets were mostly down on Monday, reversing earlier gains with investors looking to several major central bank decisions due this week including the Bank of Japan and the People's Bank of China.

## International Markets

**USD:** The U.S. dollar hovered close to a three-week peak versus major peers on Monday amid expectations the Federal Reserve will cut interest rates this week but then signal a measured pace of easing for 2025.

**GBP:** The GBP/USD pair ticks higher at the start of a busy week and for now, seems to have snapped a three-day losing streak to the 1.2600 neighborhood, or over a two-week low touched on Friday. Spot prices currency trade around the 1.2630-1.2635 region, up 0.10% for the day, though any meaningful appreciation seems elusive ahead of this week's key central bank event risks.

**EUR:** EUR/USD starts the week by extending its gains, trading around 1.0520 during the Asian session on Monday. This upside could be attributed to the decline in the US Dollar (USD) amid tepid US Treasury yields ahead of the Federal Reserve's (Fed) interest rate decision set for Wednesday.

**INR:** The Indian Rupee (INR) weakens on Monday. Heightened US Dollar (USD) demand in the non-deliverable forwards market and a weaker Chinese Yuan weigh on the local currency. Furthermore, the growing expectations of a dovish tilt in monetary policy following the appointment of a new Reserve Bank of India (RBI) governor could contribute to the INR's downside.

Source: Reuters.

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